

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HJR 71**

February 22, 2017

**SUMMARY OF BILL:** Urges the Department of Economic and Community Development (ECD) to open a trade office in Taipei, Taiwan.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$200,000**

Assumptions:

- Based on ECD's current expenditures associated with operations of foreign direct investment offices in Korea, Japan, Italy, Germany, China, and the United Kingdom/Benelux region, the recurring increase in state expenditures is estimated to be \$200,000, of which \$175,000 is for expenditures associated with hiring a consultant to manage the office, and \$25,000 is for expenditures incurred by ECD team members, including, but not limited to their travel, marketing, sponsorship and training activities.
- There could be subsequent impacts on state and local government revenue and expenditures as a result of secondary economic impacts prompted by the passage of this resolution. Increases in revenue may occur if Taiwanese-owned businesses locate projects by making capital investments and creating jobs in Tennessee. Increases in expenditures may occur if the demand for governmental programs and infrastructure increases as a result of the resolution. Due to multiple unknown factors, fiscal impacts directly attributable to such economic impacts cannot be quantified with reasonable certainty, and are considered secondary, indirect impacts on the state and local government.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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